



Canada-Newfoundland and Labrador Benefits

QUARTERLY REPORT
APRIL 1 – JUNE 30, 2015

Table of Contents

1.0 Introduction..... 3

2.0 White Rose Project Employment Summary..... 3

3.0 White Rose Extension Project Employment Summary4

4.0 Procurement Summary (Contracts > \$250,000)6

5.0 Exploration7

6.0 Photographs.....8

1.0 Introduction

The following represents Husky Energy's (Husky's) Canada-Newfoundland and Labrador Benefits Report for the quarter ending June 30, 2015, as required under the Conditions set out in Decision 2001.01 for the White Rose Development Project.

This report provides a summary of progress/activities related to Husky Energy's Atlantic Region and also includes activities of its major sub-contractors.

2.0 White Rose Project Employment Summary

In Q2 2015, a total of 1454 people were reported employed on Husky's White Rose Operations, of which 517 were located offshore. The total employment number includes people employed with Husky and its contractors and includes North Amethyst and South White Rose Extension (SWRX). The offshore number for this reporting period includes personnel from *GSF Grand Banks* and the *SeaRose FPSO*. The overall decline in personnel for Q2 2015 reflects the termination of work on the drilling rig the Henry Goodrich (see Transocean in Table 2.2).

Of the total personnel, 1336 or 92 percent were residents of Newfoundland and Labrador when hired, while another 88 or 6 percent were residents of other regions of Canada at the time of hire. The number of females employed on White Rose operations was 282 or approximately 19 percent of the total workforce (Table 2.1).

Employment for the White Rose Extension Project is reported separately in Section 3.0

Table 2.1 - Employment Summary by Location, as of June 30, 2015



Atlantic Region Contractor Stats

Head Count By Location

White Rose - Q2 2015

Location	NL Male	NLFemale	NL Subtotal	Other Canadian Male	Other Canadian Female	Other Canadian Subtotal	Foreign Male	Foreign Female	Foreign Subtotal	Male Subtotal	Female Subtotal	Total
Newfoundland - Offshore	458	15	473	39	0	39	5	0	5	502	15	517
Newfoundland - Onshore	605	259	863	40	8	48	19	0	19	664	266	930
Nova Scotia	0	0	0	1	0	1	0	0	0	1	0	1
USA	0	0	0	0	0	0	5	0	5	5	0	5
Total	1,063	274	1,336	80	8	88	30	0	30	1,172	282	1,454

3.0 White Rose Extension Project Employment Summary

In December 2014 Husky notified stakeholders that it was deferring the final investment decision on West White Rose in order to identify further cost efficiencies with the proposed WHP and to review alternate development concepts including subsea.

As of June 30, 2015, 193 people were reported employed on Husky's White Rose Extension Project, representing over 58,000 person hours. The decline in employment for this period is the result of project deferral and the subsequent winding down of some activities. Despite the decline in personnel, the percentage of females employed on the project increased by 1 percent since last quarter, to 24 percent.

The majority of person hours expended on the project for this quarter were by Arup Canada Inc. for continued CGS engineering design work and Dexter Construction for work related to completion of the graving dock at Argentinia. Husky hours are related to project management and engineering design support.

Eighty-seven percent of the person hours related to detailed engineering of the CGS took place in Newfoundland and Labrador in this quarter (see Arup in Table 3.1) and, overall, 90 percent of person hours expended on the project occurred in Newfoundland and Labrador.

Table 3.1 Person Hours by Contractor – White Rose Extension Project Employment



Atlantic Region Contractor Stats

Hours By Contractor

WREP - Q2 2015

Contractor	Onshore	Offshore	Subtotal	Other Canadian	Foreign	Total
Arup Canada Inc.	28,163	0	28,163	318	3,795	32,276
Dexter Construction	8,671	0	8,671	88	0	8,759
Guarda World	1,512	0	1,512	0	0	1,512
Husky	9,846	0	9,846	408	911	11,165
SNC Lavalin/ Dragados	2,480	0	2,480	37	0	2,517
Wood Group Mustang	2,174	0	2,174	0	0	2,174
Total	52,846	0	52,846	851	4,706	58,403

Table 3.2 Head Count by Contractor and Residency – White Rose Extension Project



Atlantic Region Contractor Stats

Head Count By Contractor

WREP - Q2 2015

Contractor	NL Male	NL Female	NL Subtotal	Other Canadian Male	Other Canadian Female	Other Canadian Subtotal	Foreign Male	Foreign Female	Foreign Subtotal	Male Subtotal	Female Subtotal	Total
Arup Canada Inc.	21	13	34	8	2	10	41	9	50	69	25	94
Dexter Construction	31	2	32	0	0	0	0	0	0	31	2	33
Guarda World	1	3	3	0	0	0	0	0	0	1	3	3
Husky	24	11	35	3	0	3	3	0	3	30	11	41
SNC Lavalin/ Dragados	7	2	9	0	0	0	0	0	0	7	2	9
Wood Group Mustang	9	4	13	0	0	0	0	0	0	9	4	13
Total	93	35	127	11	2	13	44	9	53	147	46	193

Residents of NL comprised of 66 percent of the White Rose Extension Project work force and residents of Canada comprised seven percent of the work force (Table 3.2).

The majority of positions in Q2 2015 were associated with engineering supported by administration, management, professionals and technicians/technologists (Table 3.3).

Table 3.3 Summary by Occupation and Location of Work – White Rose Extension Project



Atlantic Region Contractor Stats

Head Count By Location and Occupation


WREP - Q2 2015

All Locations

Occupation	NL Male	NL Female	NL Subtotal	Other Canadian Male	Other Canadian Female	Other Canadian Subtotal	Foreign Male	Foreign Female	Foreign Subtotal	Male Subtotal	Female Subtotal	Total
Administration & Clerical	5	12	16	1	0	1	0	0	0	5	12	17
Engineers	33	8	41	4	2	5	33	8	41	69	17	87
Management	11	2	12	3	1	4	10	1	11	24	3	27
Other Field Services	12	5	16	0	0	0	0	0	0	12	5	16
Professionals	9	5	14	1	0	1	0	0	0	10	5	15
Skilled Trades	12	0	12	0	0	0	0	0	0	12	0	12
Technicians & Technologists	10	3	13	2	0	2	1	0	1	13	3	16
Total	93	35	127	11	2	13	44	9	53	147	46	193

Note: In Q2 2015, Husky employed 5 co-op students on the WREP (2 females).

4.0 Procurement Summary (Contracts > \$250,000)

Husky East Coast Operations Procurement Summary		2015 Q2						
Description	Vendor Name	Vendor Location	Range	NL	CDN	FOR	Total	
NEW CONTRACTS								
Marine Base, Offshore Containers and Regional Trucking	A. Harvey and Company Limited	St. John's	L	100%	0%	0%	100%	
Basin Wide Transportation Transshipment Systems	Teekay (Atlantic) Chartering ULC	St. John's	O	0%	0%	100%	100%	
Supply of Laboratory Supplies	Enviromed Analytical	St. John's	A	100%	0%	0%	100%	
CONTRACT EXTENSIONS								
Supply Vessel Services - Maersk Detector	Maersk Supply Service Canada	St. John's	I	70%	3%	27%	100%	
Supply Vessel Services - Maersk Dispatcher	Maersk Supply Service Canada	St. John's	J	70%	3%	27%	100%	
Cost Range Code Legend								
A = 250,001 - 500,000 \$	E = 2,000,001 - 3,000,000 \$	I = 10,000,001 - 15,000,000 \$	M = 50,000,001 - 75,000,000 \$					
B = 500,001 - 1,000,000 \$	F = 3,000,001 - 5,000,000 \$	J = 15,000,001 - 20,000,000 \$	N = 75,000,001 - 100,000,000 \$					
C = 1,000,001 - 1,500,000 \$	G = 5,000,001 - 7,500,000 \$	K = 20,000,001 - 30,000,000 \$	O = Over 100,000,001 \$					
D = 1,500,001 - 2,000,000 \$	H = 7,500,001 - 10,000,000 \$	L = 30,000,001 - 50,000,000 \$						

7.0 Exploration

The Exploration spend for the second quarter of 2015 was approximately \$5.44 million, with a content breakdown of 85.99 percent Newfoundland & Labrador, 12.59 percent Other Canadian, and 1.42 percent Foreign. This equates to expenditures totaling approximately \$4.68 million, Newfoundland & Labrador, \$0.70 million Other Canadian, and \$77 thousand Foreign.

8.0 Photographs



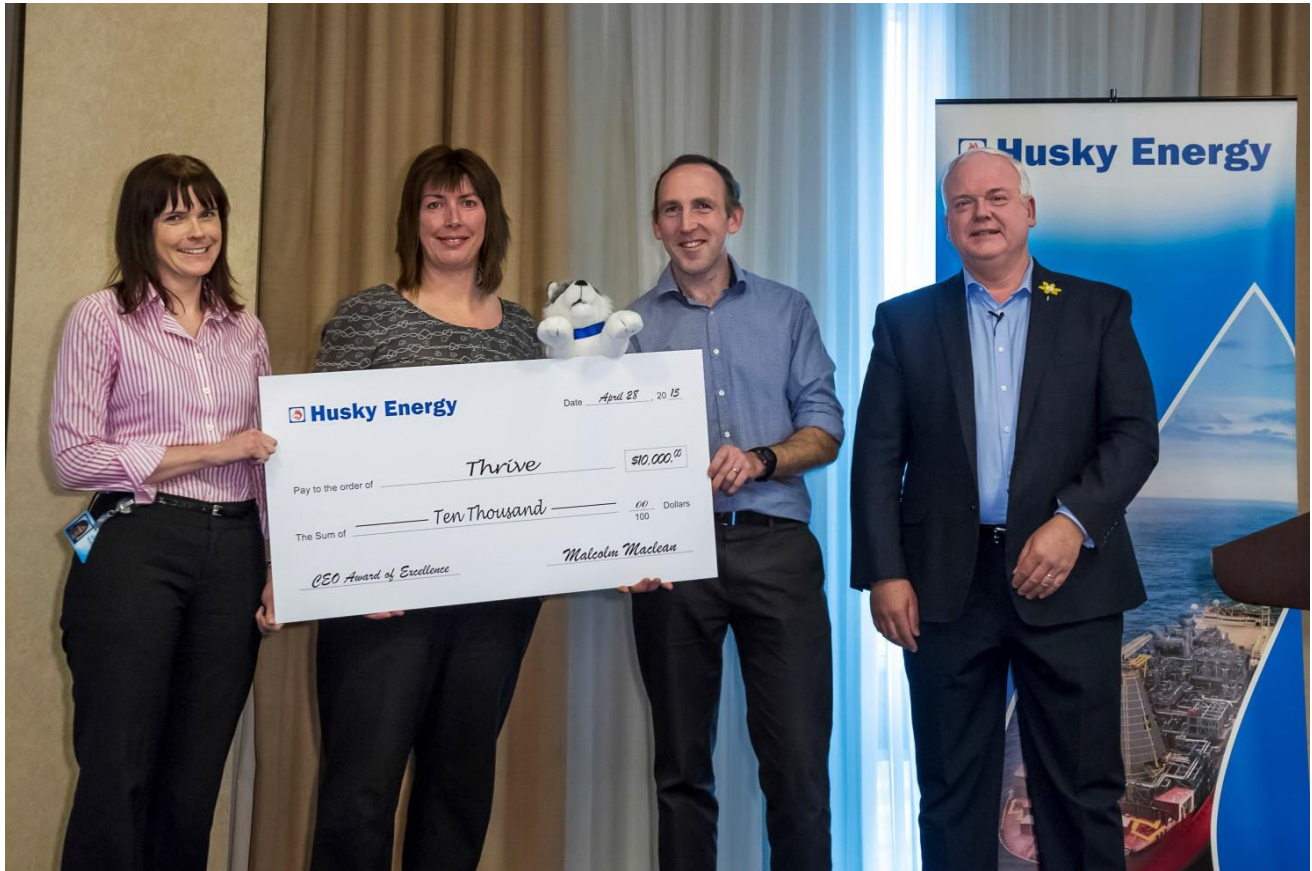
Earth Rangers Visit to Goulds Elementary June 2015



Husky Receives Award for 100 Hires of Business Co-op Students – May 2015



Husky Supports the 2015 Canada Wide Science Fair – April 2015



Husky Staff Donate to Thrive – April 2015



Husky Receives Thank You for Donation to Cancer Society – June 2015